

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

January 20, 2010
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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| * Mayor Marie Lopez Rogers, Avondale,
Chair | * Mark Killian, The Killian Company/Sunny
Mesa, Inc. |
| * Mayor Scott Smith, Mesa, Vice Chair
Vice Mayor Ron Aames, Peoria
Kent Andrews, Salt River Pima-Maricopa
Indian Community | # Mayor Jim Lane, Scottsdale
Mayor John Lewis, Gilbert
Mayor Jackie Meck, Buckeye
Councilwoman Peggy Neely, Phoenix |
| * Stephen Beard, HDR Engineering Inc. | * David Scholl |
| * Dave Berry, Swift Transportation | * Mayor Elaine Scruggs, Glendale |
| * Jed Billings, FNF Construction
Mayor James Cavanaugh, Goodyear | Mayor Lyn Truitt, Surprise
Supervisor Max W. Wilson, Maricopa County
Victor Flores, State Transportation Board
F. Rockne Arnett, Citizens Transportation
Oversight Committee |
| # Mayor Boyd Dunn, Chandler
Councilmember Dick Esser, Cave Creek | |
| * Mayor Hugh Hallman (Vice Mayor Shana
Ellis, in attendance, appointment pending),
Tempe | |
- * Not present
Participated by telephone conference call
+ Participated by videoconference call

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Acting Chair Peggy Neely at 4:05 p.m.

2. Pledge of Allegiance

Supervisor Wilson led the Pledge of Allegiance. Acting Chair Neely noted that Mayor Boyd Dunn and Mayor Jim Lane were participating in the meeting by telephone.

Acting Chair Neely introduced two new members to the Committee: Councilmember Dick Esser from Cave Creek and Victor Flores from the State Transportation Board. She also introduced

Tempe Vice Mayor Shana Ellis, whose appointment to the TPC was on the January 27, 2010, Regional Council agenda. She noted that Vice Mayor Ellis was joining the TPC meeting to familiarize herself with the TPC.

Acting Chair Neely noted that the January 19, 2010, version of the American Recovery and Reinvestment Act (ARRA) Monthly Status Report (agenda item #4D) was at each place.

3. Call to the Audience

Acting Chair Neely stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. An opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Acting Chair Neely noted that no public comment cards had been turned in.

4. Approval of Consent Agenda

Acting Chair Neely stated that agenda items #4A, #4B, #4C, and #4D were on the consent agenda. She stated that public comment is provided for consent items, and noted that no public comment cards had been received. Acting Chair Neely asked members if they would like to remove any of the consent agenda items or have a presentation. None were noted. Vice Mayor Aames moved to recommend approval of consent agenda items #4A, #4B, #4C, and #4D. Councilman Esser seconded, and the motion carried unanimously.

4A. Approval of the December 2, 2009, Meeting Minutes

The Transportation Policy Committee, by consent, approved the December 2, 2009, meeting minutes.

4B. Status Report on the Performance Measurement Framework and Congestion Management Update Study

Proposition 400 was passed by Maricopa County voters in November 2004 extending the half cent sales tax through 2025 and establishing legislative statutes that require MAG to develop a multimodal performance monitoring program for the regional transportation system. Beginning in 2010 and every five years thereafter, ARS 28-6313 requires the Auditor General to contract with an independent auditor to conduct a performance audit of the regional transportation plan and projects scheduled for funding during the next five years. The MAG Regional Performance Report completes Phase II of the Performance Measurement Framework and Congestion Management Update Study. A summary of analysis and findings is provided; the final report and interactive website are available at the MAG website. This item was on the agenda for information and discussion.

4C. Project Changes - Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program

The Transportation Policy Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, and as appropriate, to the Regional Transportation Plan 2007 Update. The fiscal year (FY) 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update were approved by the MAG Regional Council on July 25, 2007. Since that time, there have been requests from member agencies to modify projects in the programs. ADOT is requesting financial changes to three projects and adding a new pavement preservation project. Additionally, MAG member agencies are requesting changes to project limits related to federal funded projects, and requesting two new projects to be funded with STP-TEA funds; these projects were approved for funding by the ADOT State Board. Tables of proposed amendments and administrative modifications to the FY 2008-2012 TIP and RTP were enclosed. Each of the projects was heard and voted on for approval at its technical advisory committee. On January 13, 2010, the Management Committee recommended approval.

4D. American Recovery and Reinvestment Act (ARRA) Monthly Status Report

A Status Report on the American Recovery and Reinvestment Act (ARRA) funds dedicated to transportation projects in the MAG region details the status of project development. The report covers highway, local, transit, and enhancement projects programmed with ARRA funds and the status of project development milestones per project. The status report update dated January 19, 2010, was provided to committee members at the TPC meeting. This item was on the agenda for information and discussion.

5. ADOT Budget Update

John Fink, Assistant Director and Chief Financial Officer for the Arizona Department of Transportation (ADOT), provided an update on the status of the ADOT budget and revenue collections. He displayed a slide that showed the Highway User Revenue Fund (HURF) collections since 2001. Mr. Fink commented that HURF experienced positive growth until 2007, and it declined 2.8 percent in FY 2008, 7.1 percent in FY 2009, and 7.4 percent in the first six months of FY 2010.

Mr. Fink displayed a chart of the percentage change in the Regional Area Road Fund (RARF) since 2001. He said that as with the HURF, RARF revenues were growing through FY 2007, but beginning in FY 2008, revenue declined 3.2 percent. Mr. Fink advised that RARF revenue was down 13.7 percent in FY 2009 and down 13.6 percent in the first five months of FY 2010.

Mr. Fink stated that the next group of slides showed transportation revenue growth on a 12-month moving average per category. He stated that the gas tax, which is the largest component of HURF, peaked in FY 2007 and revenue is currently at approximately \$455 million, about nine percent below peak. Mr. Fink stated that collections have returned to March 2004 levels, but the good

news is that the gas tax revenue appears to be stabilizing and even improving slightly because collection was 4.8 percent higher in December 2009 than in December 2008.

Mr. Fink stated that the vehicle license tax (VLT) peaked at about \$395 million and is currently at about \$340 million. He commented that the VLT is at September 2005 levels and about 14 percent below peak. Mr. Fink noted that the decline has not stabilized, yet it is not quite as severe.

Mr. Fink stated that retail sales is the largest component of the RARF, and it peaked at about \$188 million. He noted that it is currently at about \$146 million, which is the July 2004 level, down 22 percent from peak. Mr. Fink stated that they are seeing slowing in the rate of decline, but it has not stabilized.

Mr. Fink stated that contracting revenue is at the same level as 1999. He reported that it was about \$74 million at the peak and is now about \$37 million, a decrease of 50 percent from peak.

Mr. Fink displayed a graph prepared by the Governor's Office that highlights the deficit that began in 2008. He stated that even before the State's budget issues, the ADOT budget was impacted by transfers over the past nine years of about \$542 million from HURF and the State Highway Fund to the Department of Public Safety (DPS). Mr. Fink noted that this was \$407 million over the amount allowed by statute in additional transfers. In addition, Mr. Fink stated that transfers to DPS and the State's general fund from the VLT over the past nine years total about \$248 million.

Mr. Fink displayed a chart of the State Highway Fund low cash balance by month from FY 2007 to FY 2010. He explained that since February 2008, at some point, the State Highway Fund ran a negative balance which was to be covered with other funds. Mr. Fink stated that the declines have become fairly dramatic as the impacts from the transfers become known. He pointed out that this chart did not show the number of days each month where the State Highway Fund runs a negative balance. He added that until this fiscal year, there were two to three days per month when this would occur, but over the last several months, the fund has run a negative balance almost every day.

Mr. Fink then showed a chart that illustrated how much the HURF revenue projections have changed. He said that the official projections for FY 2010 through FY 2019, which were done in September 2008, showed a projected revenue of about \$18 billion and a growth rate of about 4.9 percent. Mr. Fink stated that when the projections were revised in September 2009, revenue was forecast at about \$14.5 billion and a 3.6 percent growth rate. Mr. Fink noted that this is a variance of about \$3.6 billion. Mr. Fink also pointed out the distributions of HURF revenue to show the impact to cities, towns, and counties. He remarked that he recommended the revised September 2009 forecast be lowered another \$2.5 million.

Mr. Fink stated that the RARF revenue projection for FY 2010 to FY 2026 that was done in September 2008 forecast revenue of about \$12.1 billion. He said that ADOT developed an interim forecast in January 2009 when they realized the forecast was not achievable and it showed revenue at about \$10.3 billion. Mr. Fink stated that in September 2009, when ADOT developed the official

projections, the revenue forecast was reduced to about \$9.9 billion, a reduction of about \$2.2 billion in one year. He commented that based on how the RARF collections are running, he thought the September 2009 forecast was optimistic.

Mr. Fink stated that ADOT's FY 2007 budget appropriated by the Legislature was about \$391.8 million and the FY 2010 budget had risen to \$426.2 million. He advised that ADOT can only execute a budget to the extent it has cash. He indicated that beginning in 2009, as a result of revenue declines and transfers, the State Highway Fund had only \$360 million and ADOT was compelled to reduce its operating budget by about \$60 million less than appropriated. Mr. Fink stated that the situation was more acute for FY 2010 and ADOT anticipates having only \$320 million, about \$106 million less than appropriated.

Mr. Fink stated that as a result, ADOT has had to resort to a number of activities to address the shortfall, including closing rest areas and motor vehicle division offices. He said they have laid off about 115 employees, which is in addition to the 600 positions that are unfilled out of 4,700 total positions.

Acting Chair Neely thanked Mr. Fink for his report and asked members if they had questions.

Supervisor Wilson asked if any projects had been delayed due to these numbers. Mr. Fink replied that decreases in the operating budget, which he presented, would not delay the construction of projects, but would take money away from maintenance and items to operate the department. He added that projects would be impacted by the capital budget.

Vice Mayor Aames asked how ADOT could continue to operate in the negative. Mr. Fink replied that the State Highway Fund comprises a number of accounts and ADOT can transfer money among the accounts as needed, but it needs to replenish those funds. Vice Mayor Aames asked if funds were moved out when they were ahead. Mr. Fink replied no, ADOT just carried a high balance.

Eric Anderson, MAG Transportation Director, asked Mr. Fink to address the matching of federal funds. Mr. Fink explained that ADOT has to match all federal funds it receives, with the exception of ARRA funds. He noted that the match rate is six percent, which is \$6 per \$100. Mr. Fink continued by saying that when ADOT had high balances, it used state funds for the match on federal aid projects, however, at this point, ADOT cannot use state funds on projects and almost exclusively uses bond funds to provide the match on federal aid projects. He advised that with the transfers and sweeps, ADOT has no additional bonding capacity in the HURF bond program, and he added that ADOT has proceeds that will last until 2012. Mr. Fink reported that his calculations indicate that ADOT has no additional bonding capacity until 2014, which leaves a two year period to have another strategy and they will consult with the State Transportation Board on that.

Mayor Lewis asked the additional impacts MAG needs to be aware of in its decision making in 2010. Mr. Anderson replied that one major concern relative to the ADOT budget is not the matching funds, because the MAG region has the half cent sales tax and earmarked state highway

funds that can be used for that purpose, but the maintenance budget, which has been reduced significantly already and could be reduced more. Mr. Anderson stated that the region is funding litter pickup and landscape maintenance through the half cent sales tax for transportation, which helps ADOT significantly, but there are other maintenance and safety projects that could be delayed. Mr. Anderson commented that he thought maintenance was all right for now, but staff will continue to monitor the situation because they expect fund sweeps to continue. Mr. Fink added that both the Governor's budget recommendation and the Joint Legislative Budget Committee baseline budget released last week continue sweeps and transfers to the same level to 2011.

Acting Chair Neely stated that she has heard there is some rescission of federal dollars and asked Mr. Fink if any of his charts reflected that. Mr. Fink replied that he did not include the rescission information in this presentation, but in summary, in 2009, the federal aid program was reduced by about \$11 billion nationwide due to rescission. Mr. Fink continued by saying that because Congress has not enacted a long-term reauthorization of the federal aid program, but passed a series of continuing resolutions, the 2009 program continued to 2010, which meant that rescissions that occurred in 2009 carried over to 2010. Mr. Fink advised that the federal aid program is supposed to be funded at about a \$40 billion level, but they are funding it at about a \$29 billion level. He stated that Arizona receives about two percent of the nationwide funding, and that \$11 billion reduction translates to a reduction of about \$220 million for Arizona. Mr. Fink explained that ADOT does not receive its full year of federal aid at once – it comes in bits and pieces and ADOT has to match it up with projects. He stated that another impact to ADOT is that a lot of local projects plan to use federal aid at a level that would exceed what was allocated to the entire state, and that creates a need to mix and match to get this to work.

Mr. Anderson commented on rescission, which is part of the budget game played by Congress, who say they will give transportation \$40 billion in addition to a significant amount of money with ARRA, and simultaneously they take back from transportation \$11 billion. Mr. Anderson stated that with continuing resolutions, any rescission amounts continue through the next federal fiscal year. He remarked that many MPOs and DOTs in the country have plans in place for the \$40 billion, but there is really only about \$30 billion available – about 30 percent less than the MPOs and DOTs anticipated. Mr. Anderson cautioned that if Congress does not fix this by the end of February when the continuing resolution runs out, this region could lose a significant amount of funding. He remarked that this is not just a MAG issue, but a national issue, and noted that national organizations such as AASHTO and NARC are monitoring the situation. Mr. Anderson stated that he had hosted a Webinar that morning on this topic. He stated that it will take a big push by our Congressional delegation to get this issue out in front so it can be fixed. Mr. Anderson stated that this also came at the same time as the expiration of SAFETEA-LU in September 2009, and we are now in continuing resolutions, which means that all the provisions are carried forward.

Dennis Smith, MAG Executive Director, stated that this item was presented to show the Committee the grim situation at ADOT. He stated that Mr. Fink has also provided the report to the MAG Management Committee. Mr. Smith stated that the swing component is VLT because it can be moved to other funds in the State, such as DPS, and he noted that about \$800 million have been

lost through transfers from transportation funds. Mr. Smith stated that the 15 percent funds are being used by ADOT to make the checkbook balance. Mr. Smith commented that if the flow of money out of ADOT does not stop, it will be difficult for ADOT to meet the basic transportation needs in the state.

Acting Chair Neely thanked Mr. Fink for his report to the Committee.

6. Unobligated American Recovery and Reinvestment Act Local Funds - Technical Programming Modifications

Eileen Yazzie, MAG Transportation Program Manager, addressed the Committee on recent discussions regarding the anticipated unobligated Local/MPO American Recovery and Reinvestment Act (ARRA) funds. She noted that on December 9, 2009, the MAG Regional Council approved the policy and programming recommendations for programming unobligated American Recovery and Reinvestment Act (ARRA) Local funds, due to either projects not obligating or project cost savings. Ms. Yazzie stated that since the approval, the Transportation Review Committee met and recommended further technical modifications to lower the risk of not obligating project savings or not meeting the deadlines.

Ms. Yazzie stated that the Transportation Review Committee made a recommendation and the Management Committee concurred with the recommendation, which was included in the agenda packet. She noted that since the TPC agenda packet was mailed out, MAG staff received a suggestion to add a semicolon following the word 'jurisdiction' in the first sentence for clarification. She displayed the motion onscreen.

Acting Chair Neely thanked Ms. Yazzie for her report. No questions from the Committee were noted.

Vice Mayor Aames moved to recommend approval that the guidelines for programming unobligated American Recovery and Reinvestment Act (ARRA) Local funds that were approved by the MAG Regional Council on December 9, 2009, be modified in order that the local agency with the ARRA project savings will have local discretion to move the project savings to another existing ARRA project in that jurisdiction; and/or swap the ARRA funds with ADOT-STP funds and move the project savings to an eligible project that is above \$200,000 and can obligate before September 30, 2010, including new projects. Any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 will return the project savings to the regional pool for reallocation. Supervisor Wilson seconded, and the motion passed unanimously.

7. Proposed Federal Economic Stimulus Legislation

Eric Anderson reported on the potential Stimulus II legislation. He stated that the "Jobs for Main Street" bill was passed by the U. S. House of Representatives in December by a close vote of 217-212. Mr. Anderson noted that it is now on its way to the Senate, where it is speculated that it could face a tough road due to concern in the Senate for the federal deficit. He added that there is a

possibility that the provisions in this bill could be incorporated into the 2010 appropriations bill.

Mr. Anderson stated that the funding levels for this legislation are about the same as the ARRA legislation: approximately \$27.5 billion for highways and streets and about \$8.4 billion for transit. He added that the eligible uses appear to be almost identical to those uses in the ARRA legislation. Mr. Anderson explained that the spending rate in the Jobs for Main Street bill is more onerous than ARRA: it requires 50 percent of the highway funding and 50 percent of the transit funding be under contract in 90 days. Mr. Anderson noted that the ARRA legislation required 50 percent of the ADOT funds be obligated within 120 days and 50 percent of the transit funds must be obligated within 180 days. Mr. Anderson stated that under the 90-day provision, not only does the project have to go to bid, but also it must be awarded and the contract signed. He commented that this is virtually impossible to accomplish in 90 days, unless some of the work has been done beforehand. Mr. Anderson stated that the Jobs bill also continues the provision that ten percent of the transit funds can be used toward operations.

Mr. Anderson stated that the Jobs for Main Street bill is the next bill scheduled to be heard after the health care bill in the Senate. He reported that AASHTO has been hearing there will be less money than in the ARRA legislation, and there has also been a push to do nothing. Mr. Anderson remarked that since this is an election year, there is a lot of political maneuvering going on. Mr. Anderson said that they think that the 90-day provision will stay in the bill because Congress was concerned that the ARRA money was not out the door quickly enough, however, delays are attributable to the federal processes that had to be followed to spend the money.

Mr. Anderson stated that if the numbers in the Jobs bill remain consistent with the ARRA amounts, MAG could be allocated the following amounts: \$130 million in State Highway funds; \$105 million in Local ARRA funds; and \$65 million in Transit funds. He noted that MAG suballocated the Local funds so that each community in the region received some of the money, and 64 projects were processed through the ADOT Local Governments Section.

Mr. Anderson stated that MAG staff have been meeting weekly with ADOT and the Federal Highway Administration on the potential Stimulus II legislation, and they asked MAG to get projects ready to be under contract. He stated that projects have to be fully developed to meet the 90-day deadline, and processes such as environmental work have to be completed already. Mr. Anderson advised that in addition, out of the \$105 million of Local funds, there may be another \$10 million to \$25 million in bid savings that need to be obligated by September 2010 and also more than \$100 million of MAG FY 2010 Congestion Mitigation and Air Quality funds and Surface Transportation Program funds that need to be spent.

Mr. Anderson advised that MAG and ADOT identified two Proposition 400 projects that could be ready to be under contract in 90 days and are being proposed as design-build projects: a project for HOV lanes on the Santan Freeway from I-10 to approximately Gilbert Road, including the ramp connections at I-10 and L101 (\$146 million); and a project for L101 to complete the HOV lanes and other improvements from Tatum Boulevard to the junction with I-10 (\$139.5 million). Mr. Anderson noted that the Loop 101 project has major regional benefit: it would complete the HOV

system and also would correct an interchange problem at I-17. He noted that those both of those systems were designed to be able to build the HOV connections very economically, and that is why those projects are being included.

Mr. Anderson stated that staff are recommending approval of a proposed amendment to the MAG FY 2008-2012 Transportation Improvement Program and Regional Transportation Plan 2007 Update to include a design-build project on the Santan Freeway from I-10 to approximately Gilbert Road, including the ramp connections at I-10 and L101 (\$146 million), and a design-build project for L101 to complete the HOV lanes and other improvements from Tatum Boulevard to the junction with I-10 (\$139.5 million) and that the FY 2008-2012 MAG Transportation Improvement Program and Regional Transportation Plan 2007 Update be amended subject to the necessary air quality conformity analysis and funding being provided from the Jobs for Main Street bill.

Mr. Anderson noted that action would be subject to the Jobs bill passing and an air quality conformity analysis. He added that if the funding is different in the passed bill, this item would need to come back before the TPC. Mr. Anderson stated that action gives MAG a head start on conducting the 45-day conformity analysis process, which will be critical in meeting the deadlines.

Mayor Cavanaugh stated that MAG recently approval the deferrals of highway projects. He asked which phases included these two projects. Mr. Anderson replied that the Santan project is a Phase II project and the Loop 101 project is a Phase III project in the revised scenario that was approved last year.

Mayor Cavanaugh stated that he understood MAG could derive \$140 million to \$180 million from ARRA and this reduces our commitment. He stated that he would like MAG to apply the savings to projects that were deferred. Mr. Anderson noted that applying funds realized from lower costs or additional resources to the deferred projects was part of the discussion on the revised scenario.

Mayor Cavanaugh complimented staff for being able to identify projects that could be ready to be under contract in 90 days. Mr. Anderson credited ADOT with taking the initiative to move forward with some of the project development work. He stated that the Santan project has been under development for a while, and about one year ago, MAG and ADOT did some work on Loop 101 and the HOV lanes in anticipation that there could be opportunities for additional funds.

Vice Mayor Aames asked for confirmation that this would add an additional lane. Mr. Anderson indicated that was correct.

Mr. Arnett asked about transit projects. Mr. Anderson replied that as long as the funding and structure of the bill remains the same as the ARRA legislation, \$65 million would come to the MAG region for transit. He noted that under the proposed legislation, 50 percent of the funds would need to be under contract in 90 days, however, transit projects do not have a conformity analysis component as do highway projects and therefore, have more time to work out. Mr. Anderson stated that the newly formed MAG Transit Committee will be discussing this at their next meeting.

Supervisor Wilson moved to recommend approval of a proposed amendment to the MAG FY 2008-2012 Transportation Improvement Program and Regional Transportation Plan 2007 Update to include a design-build project on the Santan Freeway from I-10 to approximately Gilbert Road, including the ramp connections at I-10 and L101 (\$146 million), and a design-build project for L101 to complete the HOV lanes and other improvements from Tatum Boulevard to the junction with I-10 (\$139.5 million) and that the FY 2008-2012 MAG Transportation Improvement Program and Regional Transportation Plan 2007 Update be amended subject to the necessary air quality conformity analysis and funding being provided from the Jobs for Main Street bill. Councilman Esser seconded.

Acting Chair Neely asked if there was discussion.

Mr. Flores asked how the additional \$146 million or \$280 million could affect the \$350 million that MAG might expect. Mr. Anderson replied that the \$280 million for the two projects would be funded partly from the MAG share of Stimulus II funds, which could be \$130 million or perhaps more, and also by a direct allocation in the stimulus program to MPOs, which was \$105 million last year. Mr. Anderson indicated that those two sources would provide about \$235 million and MAG has other funds to make up the difference. He added that if the amount from Stimulus II is less, perhaps only one of the projects would be funded with the stimulus funds. Mr. Anderson commented that MAG needs to be prepared with projects because it is unknown what Congress will do.

Mr. Smith stated that when ISTEA was passed, MAG had a huge funding hole in Proposition 300 and the MAG Regional Council voted to put 50 percent of its local Federal Highway Administration funds into the State Highway System. He commented that instead of losing money, it is better to identify a couple of projects that could use the money. Mr. Smith apologized for this coming up so quickly, however, it was the result of an emergency meeting with Federal Highway Administration informing MAG to be prepared. He stated that there is a 30-day requirement for conformity for public review that needs to be allowed for in the schedule. Mr. Smith stated that the transportation modeling staff and air quality modeling staff are ready, and if everything goes right, the 30-day requirement would just be met; if everything does not go right, the plan is to provide a status report to the Regional Council and to have a special Executive Committee meeting to approve the conformity analysis.

With no further discussion, the vote on the motion carried unanimously.

8. Request for Future Agenda Items

Topics or issues of interest that the Transportation Policy Committee would like to have considered for discussion at a future meeting will be requested.

Mayor Lewis asked the timeline of the extension of Loop 202 around South Mountain. Mr. Smith stated that the South Mountain Freeway discussions are ongoing and appear to be positive. He stated that MAG is awaiting a letter from the Gila River Indian Community to allow ADOT to

study alternatives on the Reservation. Mr. Smith indicated that if that happens, there would be additional work done on the environmental impact statement and there could be a delay.

Mayor Lewis asked when the Commuter Rail Study would be presented and discussed. Mr. Anderson replied that the Commuter Rail Study is in draft form now and the plan is to take it to the Transit Committee first, probably in March, and then up through the MAG committees for information and discussion. He stated that acceptance of the Study is anticipated for April.

9. Adjournment

There being no further business, Mayor Truitt moved, Vice Mayor Aames seconded, and the meeting adjourned at 5:00 p.m.

Chair

Secretary